

Message Text

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PAGE 01 PANAMA 02257 191502Z

46

ACTION EB-11

INFO OCT-01 ARA-16 ISO-00 SAB-01 AGR-20 CEA-02 CIAE-00

COME-00 DODE-00 FRB-02 H-03 INR-10 L-03 LAB-06

NSAE-00 NSC-07 PA-04 RSC-01 AID-20 CIEP-02 SS-20

STR-08 TAR-02 TRSE-00 USIA-15 PRS-01 SP-03 OMB-01

SWF-02 DRC-01 /162 W

----- 120059

R 182150Z APR 74

FM AMEMBASSY PANAMA

TO SECSTATE WASHDC 421

INFO AMEMBASSY BOGOTA

AMEMBASSY GUATEMALA

AMCONSUL GUAYAQUIL

AMEMBASSY MANAGUA

AMEMBASSY QUITO

AMEMBASSY SAN JOSE

AMEMBASSY SAN SALVADOR

AMEMBASSY TEGUCIGALPA

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E.O. 11652: N/A

TAGS: ETDR, PN

SUBJECT: BANANA EXPORT TAX, MFN IMPLICATIONS

REF: (A) STATE 76867; (B) STATE 78502; (C) PANAMA 1969

1. WITH REGARD TO MFN IMPLICATIONS OF APPLICATION BANANA EXPORT TAX, EMBASSY HAS NO REPEAT NO INDICATION THAT PANAMA INTENDS TO DISCRIMINATE BETWEEN "TRADITIONAL AND NON-TRADITIONAL MARKETS." LAW NO. 30 OF MARCH 27, 1974, MERELY CHANGES TWO WORDS OF PARAGRAPH NO. 2, ARTICLE NO. 585 OF THE FISCAL CODE WHICH NOW READS AS FOLLOWS:

BANANAS WILL BE SUBJECT TO AN EXPORT TAX OF TWO AND ONE HALF CENTS (B/0.025) FOR EACH POUND (454 GRAMS). FORMERLY THE TAX WAS TWO CENTS

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PAGE 02 PANAMA 02257 191502Z

PER STEM. ACCORDING TO LAW NO.30, THE TAX BECAME EFFECTIVE

APRIL 1, 1974.

2. ACCORDING TO OFFICIAL OF U.S. BANANA EXPORTING FIRM, CHIRIQUI
LAND COMPANY (SUBSIDIARY OF UNITED BRANDS), GOVERNMENT HAS GIVEN
NO INDICATION OF CHANGE IN APPLICATION OF BANANA EXPORT TAX.
COMPANY UNDERSTANDS NEW TAX RATE MUST BE PAID REGARDLESS OF
EXPORT DESTINATION.

3. EMBASSY ARRANGING APPOINTMENT WITH EITHER MINISTER OR VICE
MINISTER OF COMMERCE AND INDUSTRIES TO EXPLAIN USG VIEWS
(REFTEL B) AND WILL REPORT RESULTS SEPTTEL.
JORDEN

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: FRUIT, CUSTOMS DUTIES, EXPORTS, MFN, TRADE DISCRIMINATION, FOREIGN MARKETS, TREATY VIOLATION
Control Number: n/a
Copy: SINGLE
Draft Date: 18 APR 1974
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: MorefiRH
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1974PANAMA02257
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D740091-1157
From: PANAMA
Handling Restrictions: n/a
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ISecure: 1
Legacy Key: link1974/newtext/t19740433/aaaabdbbh.tel
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Office: ACTION EB
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Original Previous Classification: n/a
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Review Exemptions: n/a
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Review Markings:

Declassified/Released
US Department of State
EO Systematic Review
30 JUN 2005

Review Media Identifier:
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Review Release Event: n/a
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Review Withdrawn Fields: n/a
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Subject: BANANA EXPORT TAX, MFN IMPLICATIONS
TAGS: ETRD, PN, US
To: STATE
Type: TE
Markings: Declassified/Released US Department of State EO Systematic Review 30 JUN 2005